

MINUTES OF THE BOARD MEETING  
OF THE BOARD OF DIRECTORS  
OF  
FALL RIVER RURAL ELECTRIC COOPERATIVE, INC.

February 24, 2025

The meeting of the Fall River Rural Electric Cooperative, Inc. Board of Directors was held on Monday, February 24, 2025, at Ashton, Idaho. Having determined a quorum was present, President Behrens called the meeting to order at 10:04 a.m. Executive Assistant, Angie Haws recorded the minutes. The invocation was given by Anna Lindstedt. The Pledge of Allegiance was recited.

ATTENDING OFFICERS

President Georg Behrens, Vice President Brent “Husk” Crowther, and Secretary/Treasurer Jodi Stiehl

DIRECTORS PRESENT

Jeff Keay, Anna Lindstedt, Brent Robson, Doug Schmier with Past President Dede Draper and Travis Markegard participating virtually.

DIRECTORS ABSENT

NONE

OTHERS

CEO/General Manager Bryan Case, Attorney Jerry Rigby, CFO Linden Barney, IT Manager Shannon Hill, Engineering Manager Dave Peterson, Member Service Manager Clint Washburn, Guests FR Lineman Phil Byman, NRECA Government Relations Louis Finkel, BPA Account Executive Brad Morrison and Engineer Jim Wilson and Executive Assistant Angie Haws.

APPROVAL OF AGENDA

**Director Robson made a motion to approve the agenda as presented. Vice President Crowther seconded the motion.** A voice vote was taken; THE MOTION CARRIED BY UNANIMOUS VOTE.

APPROVAL OF MINUTES FOR JANUARY 27, 2025

**Director Robson made a motion to approve the minutes from the January 27, 2025, Board Meeting as presented. Director Schmier seconded.** A voice vote was taken; THE MOTION CARRIED BY UNANIMOUS VOTE.

LOUIS FINKEL NRECA LEGISLATIVE EFFORTS

Louis Finkel is NRECA’s senior vice president of government relations. He leads the association’s advocacy and public policy programs, including legislative and regulatory affairs, grassroots mobilization and political engagement.

Louis has more than 25 years of experience in policy and public affairs strategy in government and in the private sector. Before joining NRECA, he held leadership roles in government and

public affairs as an executive at CVS Health Corporation, the American Petroleum Institute and the Grocery Manufacturers Association. He also has represented corporate and not-for-profit interests in Congress and executive branch agencies as a government relations consultant. Louis served as chief of staff for the U.S. House of Representatives Committee on Science and Technology and as legislative director to former Rep. Bart Gordon, D-Tenn. He is a graduate of The George Washington University and lives in Arlington, Virginia, with his wife, Stacey, and their two sons. Mr. Finkel provided the Fall River Board with an overview of the energy landscape and reported on the issues and activities related to Federal legislation on issues important to the Cooperative.

#### BRAD MORRISON – BPA/FR TRANSMISSION UPDATES

Brad Morrison, Transmission Account Executive for Bonneville Power Administration and Jim Wilson BPA Engineer updated the FR Board on several projects, their progression and some expected completion dates. CEO Case thanked Brad and Jim for the good work they have been doing and for the advocacy on FR's behalf.

#### MEMBER COMMENTS

The board reviewed member comments and communications.

#### BROCK BRIGGS – APPRECIATION AND REPORT ON POSITIVE VALUE OF HIS FALL RIVER SCHOLARSHIP

Included in the board packet.

#### PORTER BROUGHTON – NET METERING GENERATION/METERING CONCERNS UPDATE

The Board discussed and gave the CEO direction. This included confirmation that they unanimously support the Cooperative's net metering policy and appreciated the extra effort to ensure FR is correctly metering Mr. Broughton's energy use. Once the third-party review is complete the CEO will report to Porter and the FR Board.

#### FINANCIAL & STATISTICAL REPORTS

##### DECEMBER 31, 2024, FINANCIAL REPORTS

To be sent out to the board.

##### JANUARY 31, 2025, FINANCIAL REPORTS

CEO Case reported the net margins for January are \$876k ahead of budget. Revenue net of power costs make up \$691k of the variance. Revenue is 15% higher than budget due to cold weather and more new services than anticipated. The budget was weather normalized. Cost of purchased power is higher than last January which was also cold but still under budget. We used power cost data from the COSA for the operating budget which looked to be high. Labor and overhead are also under budget through January, but we anticipate these costs will get closer to budget as the year progresses. The Cooperative's equity ratio is at 53% and the growth rate in new services remains at 3.7%. Fall River generated \$558k from operations, \$1M was invested in plant and materials and \$1M of principal on long-term-debt was retired. We will likely need to borrow soon on our long-term-debt facilities. The capital budget shows \$6.5 million has been spent but all but \$1 million is carry-over amounts from last year.

## INITIAL REPORT ON FIELD AUDIT-VERBAL UPDATE

CEO Case reported that the financial audit went well. Total net margins for 2024 were \$6.2M. Overall, net margins are within \$38k of the preliminary December financials. There were some corrections to amortization on RTC credits, offsetting entries made for the truing up of interest and booking of PNGC patronage. CEO Case noted the importance of auditor tax knowledge and expertise and the need for possible supplementation in this area in the future.

## COOPERATIVE BUSINESS

### FALL RIVER ENERGY EXPO & ANNUAL MEETING

VENUE DATE CHANGE BY NF HS-FROM JUNE 14<sup>TH</sup> TO JUNE 21<sup>ST</sup>

**Director Robson made a motion to approve the Energy Expo Annual Meeting date change to June 21, 2025. Director Keay seconded the motion.** A voice vote was taken; THE MOTION CARRIED BY UNANIMOUS VOTE.

### MEMBER AD HOC BOARD COMPENSATION COMMITTEE

**Vice President Crowther made a motion to approve the Member Ad Hoc Board Compensation Committee as presented and placed on the ballot for the members of the Cooperative to vote on at the 2025 Annual Member Meeting. Director Schmier seconded the motion.** A voice vote was taken; THE MOTION CARRIED BY UNANIMOUS VOTE.

### SAMPLE BALLOT FOR BOARD COMPENSATION COMMITTEE

Included in the board packet.

### MEMBER NOMINATING COMMITTEE MEETING – MARCH 17<sup>TH</sup>

Included in the board packet.

### ENERGY EXPO & ANNUAL MEETING TIMELINE

Included in the board packet.

### MEMBER NOMINATING COMMITTEE UPDATE – REMOVAL OF MEMBER

CEO Case noted he contacted Charise Holt and she requested to be removed from the Nominating Committee list.

**Director Keay made a motion to approve the updated Member Nominating Committee list as discussed. Vice President Crowther seconded the motion.** A voice vote was taken; THE MOTION CARRIED BY UNANIMOUS VOTE.

## POWER SUPPLY

It was noted that Power Supply will be a Board Strategic Planning topic in August. Provider of Choice decisions will take place in October 2025.

SUMMARY OF BPA SETTLEMENT-PNGC, PPC 7 NRU  
Included in the board packet.

PUBLIC POWER COUNTER PROPOSAL TO BPA FOR SETTLEMENT  
Included in the board packet.

BPA SETTLEMENT BPA-26 COUNTER PROPOSAL  
Included in the board packet.

“CONCERNS PREVIOUS BPA ADMINISTRATORS” BPA WORKFORCE CONCERNS

Letter to BPA utility customers in response to recent Presidential executive orders concerning likely impacts of recent BPA work force reductions being implemented and considered on the reliability of electricity service to Pacific Northwest consumers.

Included in the board packet.

MARKET CAISO & EDAM MARKET FAILURE OR IMPROPER INCENTIVES FOR CONGESTION BENEFITS CALIFORNIA

BPA PROVIDER OF CHOICE CONTRACT TIMELINE  
Included in the board packet.

#### FALL RIVER PEAK

COINCIDENTAL PEAK/TRANSMISSION POWER-DAVE PETERSON  
Engineering Manager, Dave Peterson discussed FR’s winter peak noting that didn’t happen until 2022. CEO Case stated that when our system peaks it is indicative of the whole and of growth. When data is broken down to a substation level it will show trends. The Board discussed load, costs, the peak demand graph, increasing capacity and future infrastructure plans.

#### PPC UPDATES

##### UPDATES ON FISH FUNDAMENTALS

CEO Case stated it was a record year for Steelhead. The PPC report also notes the Lower Snake River Dams can support robust salmon returns when conditions allow. Sockeye Salmon returns were record-breaking in 2024 totaling 755,909 adults at Bonneville Dam.

##### PPC TALKING POINTS

- Lower Snake River Dams and 12/14 Agreement
- Ensure Organized Market Participation Provides Value to BPA Preference Customers
- Protecting PMAs in Serving a Critical Mission
- The Challenge of BPA’s Competitiveness and New Contracts

- BPA's Federal Workforce: Carrying Out the Administration's New Energy Vision
- BPA Compensation – recruit and retain senior staff/Reliability for Ratepayers Act.

#### WYOMING RURAL ELECTRIC ASSOCIATION RECAP

Travis Markegard and Bryan Case attended the WREA Annual Meeting and Board meeting in January. They reported on the legislative session noting the focus on wildfire mitigation. The Board discussed the requirements to have a seat on the WREA Board and potential value vs. cost. It was determined at this time the WREA associate membership would be maintained.

#### ANNUAL DONATION FOR AMERICAS ELECTRIC COOPERATIVE PAC (AKA ACRE)

Handed out at board meeting.

#### STATE LEGISLATIVE ACTIVITIES

##### ICUA BILL STATUS

Included in the board packet.

##### WILDFIRE STANDARD OF CARE ACT

This act confirms utilities' responsibilities to operate, maintain, repair, and upgrade the grid to deliver energy safely and reliably to all Idahoans.

To protect customers and member-owners from the impacts of wildfire, Idaho utilities support legislation that:

- Empowers the Public Utilities Commission (PUC) to set clear and consistent expectations for utilities' wildfire mitigation efforts.
- Holds utilities to a robust standard of care in operations, maintenance, repair, and upgrades.
- Outlines liability for utilities that fail to meet PUC requirements.
- Motivates federal agencies to promptly authorize wildfire mitigation work.

##### MONTANA BILL STATUS

Included in the board packet.

##### WYOMING BILL STATUS

Included in the board packet.

#### FALL RIVER STRATEGIC PLANNING – AUGUST 25<sup>TH</sup> & 26<sup>TH</sup> HOLIDAY INN CONFERENCE CENTER IN WEST YELLOWSTONE – SAVE THE DATE

#### RETAIL RATE INCREASE – HIGHLIGHTED TALKING POINTS

CEO Case noted that FR is frugal by nature. Highlighting several ratios that will be

presented in the upcoming member rate meetings. Case stated with the anticipation of significant increases in power costs over the next several years FR's plan includes small annual increases in retail rates, gradually slowing the retirement of patronage capital back to the 20-year rotation and maintaining a strong equity position which allows FR flexibility to minimize rate shock to members.

## COOPERATIVE REPORTS

Director Lindstedt reported on a hydro facility.

Director Keay reported on the propane board meeting he attended.

Secretary Stiehl reported on the NRECA Director's Conference she attended and MECA meetings.

Director Schmier reported on NWPPA Board and Committee meetings.

Director Markegard previously reported on WREA meetings attended.

President Behrens previously reported on ICUA Legislative Conference.

## CONSENT AGENDA

Board and CEO expense reports, New Memberships, Purchase of Power Agreements, Check Report, Safety Report, Early Retirement of Patronage Capital were reviewed by all Board Members in Board Package prior to meeting. Secretary Stiehl made note of a patronage capital retirement amount correction. CEO Case will follow up on that report correction.

**Director Robson made a motion to approve the consent agenda as discussed.**

**Director Keay seconded the motion.** A voice vote was taken; THE MOTION CARRIED BY UNANIMOUS VOTE.

## EXECUTIVE SESSION

**Director Robson made a motion to go into Executive Session at 1:47 p.m. Director Keay seconded the motion.** A voice vote was taken; THE MOTION CARRIED BY UNANIMOUS VOTE.

**Director Robson made a motion to go out of Executive Session at 2:40 p.m. Director Keay seconded the motion.** A voice vote was taken; THE MOTION CARRIED BY UNANIMOUS VOTE.

**Director Schmier made a motion to approve what was discussed as to the CEO annual appraisal and compensation in Executive Session. Vice President Crowther seconded the motion.** A voice vote was taken; THE MOTION CARRIED BY

## UNANIMOUS VOTE.

### MANAGEMENT DISCUSSION ITEMS

#### YEAR END 2024 RECAP OF WORK PLAN AND GOALS

CEO Case reported on the success of many of the 2024 goals and work plan items. Case noted staff achieved an impressive 88.4% of the goals set for the year. Achievements were the result of the staffs' collective hard work and dedication in many areas such as reaching safety milestones, completed infrastructure projects, secured vital grants, provided superior member service, maintained our strong financial standing, and enhanced employee and member engagement.

#### FYI-1938 COMMERCIAL RATE TARIFF SHEET

Included in the board packet.

#### SNAKE RIVER POWER ASSOCIATION – GRANT HYDRO ALLOCATION

CEO Case reported on the financial offset of the high Tier 2 pricing which acts as a financial hedge and is helping reduce FR's wholesale power costs. He stated FR may have to reapply for excess generation from Grant's hydroelectric generation in about 10 years if there is any spare generation above Grant PUD's energy needs.

#### CLOTHING ALLOWANCE

Included in the board packet.

#### ON CALL EMERGENCY RESPONSE HOUSING ALLOWANCE

CEO Case reviewed the current agreement for on call emergency response staff, required to live within a fifteen-mile radius of their assigned work location, and the housing allowance. FR periodically reviews the costs of comparable homes in the areas of each district office and makes allowance adjustments when necessary. The lowest cost area serves as the baseline for comparison purposes. New agreements will go into effect March 1, 2025.

#### INSURANCE COVERAGE AND COST COMPARISON

CEO Case reported increases in insurance costs of 12% and provided possible cost saving measures and future options to explore.

#### NEW FALL RIVER VIDEOS ADDED TO COOPERATIVE WEBSITE

##### FALL RIVER SPONSORSHIP OF ICUA YOUTH RALLY OPPORTUNITY

<https://www.fallriverelectric.com/youth-rally> -Video link included in the board packet.

##### FALL RIVER STATISTICS

Included in the board packet.

##### FR SCHOLARSHIPS

HS SCHOLARSHIP APPLICATIONS DUE MARCH 21<sup>ST</sup>

## YOUTH RALLY APPLICATIONS DUE APRIL 18<sup>TH</sup>

### HYDRO FACILITIES UPDATE

Island Park, Chester, and Buffalo generated a total of 1,307,785 kWh in January. This amounts to 2.6% of all the kWh billed by PNGC in January and 2.6% of all kWh sold and used by Fall River in January.

Felt Hydro produced 1,595,526 kWh in January. When this is included with Island Park, Chester, and Buffalo it amounts to 5.7% of all the kWh billed by PNGC in January and 5.9% of all kWh sold and used by Fall River in January.

#### ISLAND PARK

Island Park hydro produced 1,004,690 kWh during the month of January.

#### BUFFALO

Buffalo hydro was offline waiting on repairs to its PLC during the month of January.

#### FELT

Felt hydro produced 1,595,526 kWh during the month of January.

#### CHESTER

Chester Hydro produced 303,095 kWh in the month of January.

### DONATIONS

Included in the board packet.

### DO YOU WANT TO BUILD A SNOWMAN – YOUNG MEMBER ENGAGEMENT

CEO Case reported in an effort to engage younger members of Fall River Electric Cooperative, we conducted a snowman contest during the month of January 2025. Members were invited to email Fall River Electric Cooperative snowman pictures in five categories: Most traditional, Superhero, Group building, Most colorful, and Most fashionable.

Only one entry per membership was allowed. Entries closed January 26th and online voting was conducted the first week of February. Prizes offered included ski passes, gift cards, gift certificates for a new bike or scooter! A total of 352 votes were cast however, the photos generated over 8,500 views on Facebook with a reach of 11,365.

### FALL RIVER'S MANAGEMENT REPORT

CEO Case highlighted the enterprise software decision and current expectations of conversion timeline. The management report was included in the board packet.

### REPORTS BOARD COMMITTEES, MEETINGS, AND MEMBER COMMENTS EXECUTIVE COMMITTEE

President Behrens reported the Committee will meet today following the Board meeting.

#### ADMINISTRATIVE COMMITTEE

Chairman Stiehl reported the Committee met this morning and assignments regarding scholarships were made. The Committee will meet again in April.

#### ENGINEERING AND OPERATIONS COMMITTEE

Chairman Robson reported the Committee will meet next month prior to the Board meeting.

#### FINANCE COMMITTEE

Nothing to report.

#### POLICY COMMITTEE

Nothing to report.

#### ATTORNEY REPORT

Attorney Rigby reported on pertinent industry items and water rights.

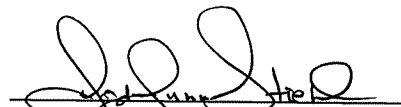
#### 2025 CALENDAR

Included on the board agenda.

#### ADJOURNMENT

**A motion was made by Director Robson and seconded by Secretary Stiehl to adjourn the meeting at 3:11p.m. THE MOTION CARRIED BY UNANIMOUS VOTE.**

DATE APPROVED: March 24, 2025

  
Secretary Jodi Stiehl